

**Assembly Bill 1501 (Levine)**

**Prop. 34: Voluntary expenditure limits**

**Version: As introduced, 2/21/03**

**Status:** In Senate, awaiting  
assignment to the Elections Committee

**Summary**

Amends Government Code section 85401 of the Political Reform Act (“the Act”)<sup>1</sup> to allow candidates for elective state office to amend their candidate intention statements (section 85200) to accept or reject the voluntary expenditure limits up until the filing of nomination papers.

**Background:**

Section 85401, added by Proposition 34, requires state candidates to state on the candidate intention statement (Form 501) whether they accept or reject the voluntary expenditure limits specified in section 85400. The Form 501 must be filed before the candidate raises any contributions or makes any expenditures for an elective office. (Section 85200.) Currently, there is no provision allowing a candidate to change his/her mind until after the primary election, and then under limited circumstances.

**Analysis**

Proposition 34 imposed contribution limits and voluntary expenditure limits on state candidates. Section 85401 requires each state candidate to file a statement of acceptance or rejection of the voluntary expenditure limits at the time he/she files the statement of intention (Form 501) specified in section 85200. Section 85200 requires candidates to file a statement of intention to run for a specific elective office prior to receiving any contributions for that election.

A candidate who accepts the voluntary expenditure limits is designated in the sample ballot and may purchase space there for a statement. If a state candidate contributes personal funds to his/her campaign in excess of the voluntary expenditure limits, he/she must amend the Form 501 within 24 hours and indicate the date on which the limits were exceeded. At that point, his/her opponents who accepted the limits are no longer bound by them. (Section 85402.)

The only other time a candidate’s voluntary expenditure limit statement can be amended is after the primary election. If a candidate who rejected the limits did not exceed them in the primary election, he/she can amend the Form 501 within 14 days following the primary to accept the limits for the general election. (Section 85401(c).)

The Technical Assistance Division received many complaints in 2001 from candidates who did not know, at the time of filing the Form 501, whether they wanted to accept or reject the expenditure limits. The Form 501 is filed so early in the campaign that a candidate may not

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<sup>1</sup> Government Code §§81000-91016. References are to the Government Code unless otherwise noted.

know the identity of his/her opponent, or whether he/she will be in a hotly contested race. Now that incumbent candidates can no longer raise new funds for officeholder expenses following an election (section 85316), most open a reelection account immediately following their election in order to raise funds for that purpose. The redistricting process also caused problems for candidates who started raising funds early and then ended up in a different district.

There does not seem to be any public harm in allowing candidates to amend the form until filing nomination papers, as long as the Secretary of State and local registrars still have enough time to get the necessary information in the sample ballot. The deadline for filing nomination papers is 88 days before the primary.

The Legal Division has identified a potential problem with multiple amendments of the form 501 by candidates reacting to one another's acceptance or rejection of the expenditure limits. The division recommends the bill be amended to limit candidates to one amendment of the form for purposes of changing their acceptance or rejection of the expenditure limits.

**Recommendation:** Support if amended.

Assembly Bill 1501 would further the purposes of the Act by allowing candidates to make an educated decision about whether to (finally) accept or reject the voluntary expenditure limits.<sup>2</sup> The Technical Assistance Division believes this bill is a positive change for those who are frustrated by the one-time decision to accept or reject the expenditure limits many months prior to an election. If the bill is amended to address the Legal Division's concerns over multiple changes to this decision, staff recommends a support position.

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<sup>2</sup> Government Code §81002 provides, among others, the following purposes:

- d) The state ballot pamphlet should be converted into a useful document so that voters will not be entirely dependent on paid advertising for information regarding state measures.
- (e) Laws and practices unfairly favoring incumbents should be abolished in order that elections may be conducted more fairly.

Since AB 1501 would provide for more informed choices about acceptance or rejection of expenditure limits, it would aid these two purposes by placing in the ballot pamphlet the statements of those who accept limits, and by, potentially, increasing acceptance of the limits among incumbents, thus reducing incumbent advantage.